

To the Members of the California State Assembly:

I am returning Assembly Bill 446 without my signature.

I vetoed a similar bill last year because of the negative effect it would have had on the California economy. This bill further erodes the ability to do business in California by creating more uncertainty regarding litigation by prohibiting any licensee or professional overseen by the Department of Consumer Affairs from including in a civil settlement agreement a provision that prohibits the other party from contacting or filing a complaint with the regulatory agency. When parties who are in dispute agree to settle, there should be some assurances that the dispute has been resolved in a satisfactory and final manner for both parties.

For this reason I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger